



State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 25, 2005

TO: Mary Ann Wright, Acting Director

THRU: Mark Mesch, Acting Associate Director *MM*

THRU: Susan White, Mining Program Coordinator *SW*

THRU: Beth Ericksen, Bonding Coordinator *BE*

FROM: Paul B. Baker, Reclamation Biologist *PBB*

SUBJECT: Request for Approval of Form and Amount of Reclamation Surety,
Diamond K Gypsum, DKG Quarry, M/015/041, Emery County, Utah

I am requesting that you sign the attached reclamation contract and accept a new letter of credit issued by Wells Fargo Bank for Diamond K Gypsum.

The bond amount has been increased from \$33,100 to \$47,900. The Division used the following information in calculating the bond:

1. Release for some grading work that has been completed. Four areas have been regraded, but the vegetation in these areas does not yet meet release criteria. These areas are cross hatched on Attachment C of the reclamation contract. The grading is adequate as documented in the attached findings document, and the Bureau of Land Management has concurred in this conclusion (letter attached). Money was left in the bond for revegetation of these four areas. Other parts of the disturbed area are still being used in the mining operation.
2. All disturbed areas, including the road, were included in the disturbed area.
3. The bond amount has been escalated to 2010 dollars.
4. The bond was calculated to include an area of about 1.5 acres that is not being approved at this time. I am prepared to recommend that the Division approve mining in this area except that the Bureau of Land Management has not yet concurred with this approval.

I appreciate your consideration of this request. Please let me know if you have questions

PBB:jb

Attachment: MR-RC & surety; BLM letter

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